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U.S. Patent No. 6,223,937  
Attorney Docket No. 46774-56123  
Response to Petition Decision Issued April 29, 2011, 2010

Customer No. 23642  
Page 1 of 8

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Patent No. : 6,223,937  
Issued : May 1, 2001  
Application No. : 09/441,869  
Filed : November 17, 1999  
For : PORTABLE DISPENSING BOTTLE WITH DISSOLVABLE WAX  
PLUG AT INLET

**PETITION FOR RECONSIDERATION UNDER 37 C.F.R. §1.378(b)**

Commissioner for Patents  
Mail Stop Petitions  
P.O. Box 1450  
Alexandria, VA 22313-1460

Dear Sir:

The following information is provided in response to the Petition Decision issued April 29, 2011 ("Decision") dismissing Petitioner's Petition to Accept Unavoidably Delayed Payment of Maintenance Fee and for Reinstatement Under 37 C.F.R. §1.378(b) ("Original Petition").<sup>1</sup>

**I. Ms. Potter Did Not Enter Both the Maintenance Fee Payment Schedule and Change the Status to "Abandoned" on the Same Day.**

On page 5 of the Decision, the Petition Attorney asks for an explanation as to (a) why Ms. Potter entered both the maintenance fee payment schedule and marked the patent status to be

<sup>1</sup> Petitioner's counsel thanks the Petition Attorney for the courtesies extended during a telephone interview on June 7, 2011. During that call, the Petition Attorney advised Petitioner's counsel that it is not necessary to resubmit the arguments, declarations and other evidence previously submitted in connection with the Original Petition or Petitioner's Response to Request for Information filed November 23, 2010 ("Response"), as those materials are part of the record. Accordingly, Petitioner hereby incorporates by reference the Original Petition and the Response in their entireties, including any declarations, exhibits or other evidence submitted therewith.

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abandoned on the same day, (b) why the docket system would have not warned her of such inconsistent actions and (c) if it in fact did warn her of such inconsistent actions, why she did not heed those warnings. The answer is that Ms. Potter did not enter both the maintenance fee payment schedule and mark the record to be abandoned on the same day.

As explained on pages 6 and 7 of the Response and in Ms. Potter's Declaration, attached to the Response as Exhibit C, when a docket entry is created for an issued patent, the issue date is entered into the docket and the system automatically calculates the maintenance fee due dates based on the issue date. As shown in the bottom, right-hand corner of page 2 of Exhibit A of Ms. Potter's Declaration, the docket entry for the '937 Patent was originally created on November 7, 2002 ("Date Created: 07-Nov-2002"). It was on that date that the CPI docket system automatically calculated and entered the maintenance fee due dates. Ms. Potter's declaration states that part of the process for monitoring maintenance fee payment dates was to create a docket entry for the patent and enter the patent issue date into the system. The docket system then automatically calculated the maintenance fee due dates. (Potter Declaration, ¶9.b.) Ms. Potter's declaration further states that she followed this procedure with respect to the '937 Patent, that the issue date was accurately entered and that the system properly calculated the maintenance fee due dates. (Potter Declaration, ¶10) Thus, the maintenance fee dates were automatically generated on November 7, 2002, the date on which Ms. Potter created the docket entry for the '937 Patent.

As further stated in Ms. Potter's Declaration, and as shown in the lower, right-hand corner of page 2 of Exhibit A to that Declaration, she last updated the record on December 26, 2002. ("Last Update: 26-Dec-2002") That is the date on which the file was marked to be abandoned. (Potter Declaration, ¶11) Attached hereto as Exhibit A is a Supplemental Declaration of Patrice M. Potter further attesting to these facts. (Supplemental Potter Declaration, ¶¶1-2) Accordingly, there were no inconsistent actions. Thus, there was no need for the docket system to warn of inconsistent entries. Furthermore, Ms. Potter did not ignore any warnings generated by the docket system because no warnings were given. (Supplemental Potter Declaration, ¶3)

To the extent the Office finds fault with the CPI system for not issuing a warning of some type when a patent is marked "abandoned" in the system, Petitioner respectfully submits that it has

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established the reliability and acceptance of the CPI system based on (1) the widespread use of the system by some of the largest law firms and companies in the world (Response, pp. 2-6) and (2) the systems' past reliability at Baker & Daniels (Declaration of John F. Hoffman submitted as Exhibit D to the Response, ¶12). Thus, it was entirely reasonable for Baker & Daniels to use and rely on the CPI system and such use and reliance constitutes the exercise of due care.

**II. Baker & Daniels Procedures for Docketing, Tracking and Paying Maintenance Fees Meet the Legal Standard for Showing Unavoidable Delay in the Present Case. Thus, the Failure of Baker & Daniels' Docket Auditing Procedures to Discover the Clerical Error in Question is Irrelevant.**

On pages 4 and 5 of the Decision, the Petition Attorney asks for an explanation as to how the incorrect "abandoned" status for the patent persisted for an extended period of time given the checks and cross-checks employed by Baker & Daniels. As noted on page 7 of the Response and as supported by Ms. Potter's Declaration, attached to the Response as Exhibit C, the audit procedure utilized by Baker & Daniels focused on matters which were indicated as active in the docket: "One of the paralegals would run a docket report showing the docket entries for all active patent matters." (Response at page 7; Potter Declaration, ¶14; Supplemental Potter Declaration, ¶4) Thus, the audit procedures would not have discovered the clerical docketing error because the file was listed as "abandoned," not active.

The practice of routing the physical file with a docket sheet to the responsible attorney was also applied to active files. That is, the attorney would check to make sure that future actions to be taken were properly docketed so that they were not missed. If a file was marked to be abandoned, it was understood that no further actions were to be taken, therefore, no future dates could be missed and this verification process was not used. (Supplemental Potter Declaration, ¶5)

As stated in the accompanying Supplemental Declaration of John F. Hoffman (Exhibit B), Baker & Daniels' docket system has more than 5,000 patent files that are active (i.e., pending applications, live issued patents, etc.). The system has more patent files shown as inactive (i.e., abandoned applications, expired patents, etc.) than active ones, meaning there are more than 5,000 inactive patent files in the system. Petitioner submits that it would be an inefficient use of time and

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resources to audit thousands of patent files that are believed to be abandoned, expired or otherwise inactive. Such time and resources would necessarily reduce the attention that could be given to files that are believed to be active.

Furthermore, the law does not require any system for confirming previous docket entries. As noted on page 3 of the Original Petition, the court in California Medical Products Inc. v. Tecnol Medical Products Inc., 921 F. Supp. 1219 (D. Del. 1995), held that it is entirely reasonable for docket clerks and lawyers to rely on the entries in the docket system:

[T]he Court finds that this subsequent reliance on the docketing system was reasonable. The purpose of a docketing system is to be a readily accessible source of important information. It is not reasonable to expect a docket clerk, or a lawyer, to question and recalculate the information on a docket sheet every time the docket sheet is used, for that would completely negate its effectiveness.

Id. at 1260. Thus, once a docketing entry is made, the courts have found that it is not necessary to double check and recalculate the dates in order to have a reasonable business routine in place that can be relied upon to avoid errors. Baker & Daniels acted as a reasonably prudent person in relying on the CPI docket system and Ms. Potter. The unavoidable standard permits reliance on:

the ordinary and trustworthy agencies of mail and telegraph, worthy and reliable employees, and such other means and instrumentalities as are usually employed in such important business. If unexpectedly, or through the unforeseen fault or imperfection of these agencies and instrumentalities, there occurs a failure, it may properly be said to be unavoidable . . . .

See In re Mattulath, 38 App. D.C. 497, 514-515 (D.C. Cir. 1912) (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)). The Declaration of John F. Hoffman attached as Exhibit D to the Response testifies to the reliability of both the CPI system and Ms. Potter. (Hoffman Declaration, ¶¶9-12). Indeed, Mr. Hoffman states that the present case is the only instance of which he is aware in which a docketing error by Ms. Potter resulted in a patent or trademark becoming abandoned. (Hoffman Declaration, ¶10) Thus, this case is like In re Katrapat, 6 USPQ.2d 1863 (Comm'r Pat. 1988). In that case, the docket clerk failed to enter an office action response due date into the docket system,

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resulting in an application becoming abandoned for failure to respond. The Commissioner stated the question as:

whether counsel's total reliance on his docket report met the standard of care "observed by prudent and careful men in relation to their most important business [, which] permits them in the exercise of this care to rely upon . . . reliable employees, and such other means and instrumentalities as are usually employed in such important business."

Id. at 1868 (quoting Ex parte Pratt, 1887 Dec. Comm'r Pat. 31, 32-33 (1887)). The Commissioner found that such reliance did meet the standard of care and that the delay was unavoidable:

The Commissioner is satisfied that under the facts of this case the reliance was wholly justified . . . [w]ith the sole exception of the omission in question, no omissions have occurred in [counsel's] docket reports in over five years . . . during which time the same records clerk has been responsible for their preparation. In view of the demonstrated high reliability of the docket reports, it does not appear that counsel should have perceived any need to employ additional safeguards to ensure that all docketing data was entered . . . . Thus, this is not a case in which a belated response to an Office action was due to a defective docketing procedure or a misunderstanding of PTO reexamination procedures.

Id. Like the docket clerk and system at issue in Katapat, Ms. Potter and the CPI system had proven completely reliable in the past. Thus, Baker & Daniels was entitled to rely on the docket entries without employing any additional safeguards to ensure accuracy. The fact that Baker & Daniels' audit procedures, which go above and beyond what the law requires, did not detect the error is irrelevant because there is no requirement to use any such audit system. The only requirement is that the docket system and clerk can reasonably be relied upon. The Baker & Daniels system and Ms. Potter clearly meet these legal requirements. Petitioner respectfully submits that to find that the delay in paying the maintenance fees was not unavoidable because the audit system did not detect the clerical error would penalize Petitioner for retaining counsel that took steps above and beyond what the law requires to ensure the accuracy of docket entries.

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**III. Petitioner had in Place a Reasonable Business Routine to Ensure that Maintenance Fees were Timely Paid and that Its Patents would Remain in Force.**

Page 5 of the Decision states: "The petition is silent as to any business routine in place that would safeguard against a patent being expired for extended periods of time." Petitioner respectfully disagrees.

As an initial matter, Petitioner notes reinstating a patent under the "unavoidable delay" standard requires a showing of the steps taken by the responsible party to ensure the timely payment of maintenance fees. See Ray v. Lehman, 55 F.3d 606 (Fed. Cir. 1995). In determining whether a delay in paying a maintenance fee was unavoidable, one looks to whether the party responsible for payment of the maintenance fee exercised the due care of a reasonably prudent person. Id. at 609. As noted on page 6 of the Original Petition and in Mr. Harter's accompanying Declaration, Petitioner retained Baker & Daniels to track and pay maintenance fees. (Harter Declaration, ¶10) Thus, the proper focus is on Baker & Daniels' business routine, not whether Petitioner had an independent process in place.

Furthermore, Petitioner did have in place a business routine to safeguard against one of its patents being expired for an extended period of time. As discussed at pages 5-8 of the Original Petition and in Mr. Harter's accompanying Declaration, Petitioner relied on the experienced intellectual property department of a major law firm to docket, track and ensure payment of maintenance fees and to advise Petitioner of the status of its patent and trademark matters. Mr. Harter held periodic status meetings with Baker & Daniels attorneys to review the status of Petitioner's patent and trademark matters. (Harter Declaration, ¶8) In the nearly 20 years that Baker & Daniels represented the Harter Entities in patent and trademark matters, this is the only instance in which an action was not timely taken. (Harter Declaration, ¶11). Thus, Petitioner's business routine included retaining appropriate counsel and regularly conferring with that counsel with respect to patent and trademark matters. This system had proven effective for nearly two decades. Just as Baker & Daniels was entitled to rely on Ms. Potter and the CPI docket system to meet the standard of care observed by prudent and careful men in relation to their most important business as

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discussed above, Petitioner was likewise entitled to rely on Baker & Daniels, its systems and employees, all of which had proven reliable in the past.

To the extent the Decision is asserting that Petitioner must have a calendaring or docket system of its own in addition to the one utilized by Petitioner's counsel to track maintenance fee due dates and the status of its patents, Petitioner respectfully disagrees. The Decision does not cite to any case holding that a patent owner must have such a system or initiate periodic status checks for its patents. As discussed above, the case law makes clear that one reliable docket system is sufficient. Petitioner retained a large, sophisticated and reputable law firm that utilized a docket system in use at some of the largest law firms and companies in the world to ensure that maintenance fees were paid and that Petitioner would be advised as to the status of its patent matters. That firm employed a trained, experienced and reliable docket clerk to ensure that maintenance fees were docketed and paid. That firm also had in place an audit system that goes above and beyond what the law requires. It is respectfully submitted that the law requires nothing further of Petitioner to meet the requisite standard of care and show that the entire delay in paying the maintenance fees was unavoidable.

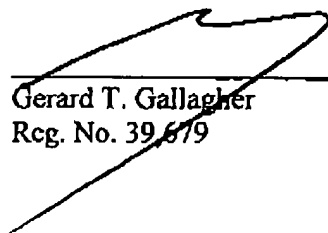
#### IV. Conclusion

In light of the foregoing, it is respectfully submitted that Petitioner has met its burden of showing that the entire delay in paying the maintenance fees was unavoidable.

#### V. Authorization to Charge Deposit Account

Please charge the requisite petition fee, and any other fees that are due, to Barnes & Thornburg's Deposit Account No. 100435 (46774.56123).

Respectfully submitted,

  
Gerard T. Gallagher  
Reg. No. 39,679

Date: June 28, 2011


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Certificate Under 37 CFR 1.8(a)

I hereby certify that this correspondence is being facsimile transmitted to the United States Patent and Trademark Office (Office of Petitions), fax number (571) 273-8300

on June 28, 2011

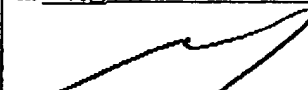
  
(Signature)

Gerard T. Gallagher  
(Printed Name)

Certificate Under 37 CFR 1.10

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as express mail, Express Mail No. EM 098157022 US, in an envelope addressed to Commissioner for Patents, Mail Stop Petition, P.O. Box 1450, Alexandria, VA 22313-1460

on June 28, 2011

  
(Signature)

Gerard T. Gallagher  
(Printed Name)



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JUN 28 2011**

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re U.S. Patent No. 6,223,937  
Issued: May 1, 2001  
Title: Portable Dispensing Bottle with Dissolvable  
Wax Plug at Inlet

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**SUPPLEMENTAL DECLARATION OF PATRICE M. POTTER**

Sir:

I, Patrice M. Potter, being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of this document and/or U.S. Patent No. 6,223,937 ("the '937 Patent"), declare as follows:

1. I hereby incorporate by reference in its entirety the Declaration of Patrice M. Potter that I executed on November 19, 2010 ("Original Declaration") and that was submitted as Exhibit C to Petitioner's Response to Request for Information filed November 23, 2010 ("Response") in connection with this matter.

2. As shown in the bottom, right-hand corner of page 2 of Exhibit A of the Original Declaration, I created the docket entry for the '937 Patent on November 7, 2002. It was on that date that I entered the issue date for the '937 Patent and that the CPI docket system automatically calculated and entered the maintenance fee due dates.

3. The CPI docket system did not provide any warnings with respect to the docket entries discussed above and in my Original Declaration. Thus, I did not ignore any warnings generated by the docket system because no warnings were given.

4. The audit procedure described in Paragraph 14 of my Original Declaration was conducted only with respect to patent files that were indicated as "active" in the docket system.

5. The practice of routing the physical file with a docket sheet to the responsible attorney described in Paragraph 15 of my Original Declaration was only used with active files. If a file was marked to be abandoned, it was understood that no further actions were to be taken, therefore, no future dates could be missed and this verification process was not used.

Date

June 28, 2011  
Patrice M. (Mickie) Potter

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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

In re U.S. Patent No. 6,223,937  
Issued: May 1, 2001  
Title: Portable Dispensing Bottle with Dissolvable  
Wax Plug at Inlet

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**SUPPLEMENTAL DECLARATION OF JOHN F. HOFFMAN**

I, John F. Hoffman, being hereby warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of this document and/or U.S. Patent No. 6,223,937 ("the '937 Patent"), declare that:

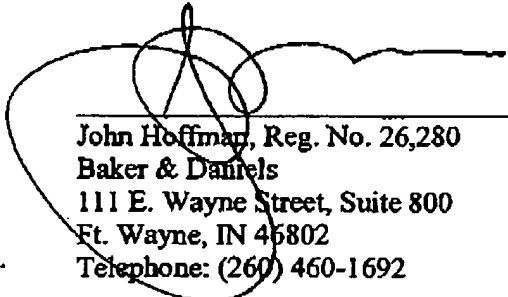
1. I hereby incorporate by reference in its entirety the Declaration of John F. Hoffman that I executed on November 19, 2010 and that was submitted as Exhibit D to Petitioner's Response to Request for Information filed November 23, 2010 ("Response") in connection with this matter.

2. Baker & Daniels' docket system presently has more than 5,000 patent files that are active. Files that are indicated as "active" include but are not limited to applications that are being prepared but have not yet been filed, pending applications and live issued patents.

3. Baker & Daniels' docket system presently has more inactive patent files than active patent files. That is, the system has more than 5,000 patent files that are inactive. Files that are "inactive" include but are not limited to abandoned applications and expired patents.

**EXHIBIT B**

Date June 27, 2011

  
\_\_\_\_\_  
John Hoffman, Reg. No. 26,280  
Baker & Daniels  
111 E. Wayne Street, Suite 800  
Ft. Wayne, IN 46802  
Telephone: (260) 460-1692

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